



**NI HSIN GROUP BERHAD**  
(Registration No. 200401014850 (653353-W))  
(Incorporated in Malaysia)

**ANTI-BRIBERY AND ANTI-CORRUPTION  
POLICY AND PROCEDURE**

## Glossary

<b>Words</b>	<b>Meanings</b>
Associated Person	A person who performs any services or functions on behalf of another person, or under the instruction of another party, who works or deals with the Group.
Board	Board of Directors of Ni Hsin Group Berhad
Bribery	Defined as any action which would be considered as an offence of giving or receiving gratification under the MACC Act.
Business Associate	An external party with whom the Group has, or plans to establish some form of business relationship which may include but not limited to customers, joint venture partners, consultants, contractors, subcontractors, suppliers, agents and etc.
CIWC	Compliance and Integrity Working Committee
Corporate Gift	Something given from one organisation to another, with the appointed representatives of each organisation giving and accepting the gift.
Corruption	Defined as any action which would be considered as an offence of giving or receiving gratification under the MACC Act.
Conflict of Interest	When a person's own interests either influence, have the potential to influence, or are perceived to influence their decision making of the Group.
Donations and Sponsorship	Charitable contributions and sponsorship payment made to support the community
Directors	Directors includes all of the following:- <ul style="list-style-type: none"><li>• Independent and non-independent Directors</li><li>• Executive and non-executive Directors</li><li>• Alternate Directors</li></ul>
Exposed Position	A position identified as vulnerable to bribery through risk assessment. Such position may include but not limited to roles involving procurement, financials, sales, or any other positions which the Group has identified as vulnerable to Bribery and Corruption.
Facilitation Payment	A payment or other provision made personally to an individual in control of a process or decision. It is given to secure or expedite a routine or administrative duty or function.
Festive Gift	Traditional treats or gifts customary to the occasion such as red packets (cash or cash equivalent), hampers, and etc.

Gratification	Defined under Section 3 of the MACC Act as:- <ul style="list-style-type: none"> <li>(a) Money, donation, gift, loan, fee, reward, valuable security, property or interest in property being property of any description whether movable or immovable, financial benefit, or any other similar advantage;</li> <li>(b) Any office, dignity, employment, contract of employment or services, and agreement to give employment or render services in any capacity;</li> <li>(c) Any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part;</li> <li>(d) Any valuable consideration of any kind, any discount, commission, rebate, bonus, deduction or percentage;</li> <li>(e) Any forbearance to demand any money or money's worth or valuable thing;</li> <li>(f) Any other service or favour of any description, including protection from any penalty or disability incurred or apprehended or from any action or proceedings of a disciplinary, civil or criminal nature, whether or not already instituted, and including the exercise or the forbearance from the exercise of any right or any official power or duty; and</li> <li>(g) Any offer, undertaking or promise, whether conditional or unconditional, of any gratification within the meaning of any of the preceding paragraphs (a) to (f).</li> </ul>
MACC Act	Malaysia Anti-Corruption Commission Act 2009 and any statutory modification, amendment or re-enactment thereof for the time being in force.
Policy and Procedure	Anti-Bribery and Corruption Policy and Procedure
the Company	Ni Hsin Group Berhad
the Group	Ni Hsin Group Berhad and its subsidiaries

## 1. Introduction

- 1.1 The Group is committed to the highest ethical standards in conducting business dealings with integrity and in compliance with all applicable laws and regulations, including MACC Act.
- 1.2 The Group has adopted a zero-tolerance approach against all forms of Bribery and Corruption and takes a strong stance against such acts.
- 1.3 The Policy and Procedure leverages on the core principles of the Group set out in the Group's Code of Conduct.
- 1.4 This Policy and Procedure is not intended to provide definitive answers to all questions regarding Bribery and Corruption, but is instead envisioned to provide a basic introduction to how the Group combats Bribery and Corruption in furtherance of its commitment to lawful, fair and ethical behaviour at all times, in addition to being designed to avoid situations in which Bribery and Corruption may take root.
- 1.5 If the offence is committed outside Malaysia, the individual may be dealt with in respect of such offence as if it was committed at any place within Malaysia. Failure to comply with this Policy and Procedure, whether intentional or not, may lead to disciplinary action and criminal liability for the individual(s) involved.
- 1.6 As the Group operates in various jurisdiction, if the law in a particular country conflicts with this Policy and Procedure, please consult the Company's CIWC and not disregard this policy without consultation.
- 1.7 Any person who commits an offence under sections 16, 17, 20, 21, 22 and 23 of the MACC Act, shall on conviction be liable to:—
  - (a) imprisonment for a term not exceeding twenty (20) years; and
  - (b) a fine of not less than five (5) times the sum or value of the gratification which is the subject matter of the offence, where such gratification is capable of being valued or is of a pecuniary nature, or ten thousand ringgit (RM10,000.00), whichever is the higher.
- 1.8 If a commercial organisation is found guilty under Section 17A, the penalty under Section 17A(2) is a fine if not less than ten (10) times the value of the bribe or RM1 million, whichever is higher, or imprisonment of up to 20 years, or both.

## 2. Compliance and Integrity Working Committee

CIWC is exclusively comprised of key management personnel and report directly to the Board. The following duties were delegated to CIWC by the Board:-

- a) To ensure that the Policy and Procedure is well enforced;
- b) To implement and assess the effectiveness of anti-bribery and anti-corruption measures within the Group;

- c) To provide regular review to this Policy and Procedure in the context of laws and regulations, directives and guideline which may amend from time to time;
- d) To collaborate with the Risk Management Working Committee and Head of Internal Audit in conducting risk assessment in relation to Bribery and Corruption;
- e) To promote a culture of integrity within the Group; and
- f) To report to the Board of any actual or suspected Bribery and Corruption identified within the Group and any occurrence of non-compliance to this Policy and Procedure.

### 3. **Objective**

- 3.1 The Policy and Procedure sets out the Group's position on Bribery in all its forms and matters of corruption that might confront the Group in its day to day operations.
- 3.2 The Policy and Procedure serves as a guideline on how to deal with Bribery and Corruption which may arise in the course of business.

### 4. **Scope**

4.1 This Policy and Procedure applies to the following persons:-

- (a) The Directors and employees of the Group; and
- (b) Contractors, joint venture partners or any other parties performing services for and on behalf of the Group.

(collectively referred to as "**the Parties**")

- 4.2 This Policy and Procedure would not be able to provide the Parties with comprehensive solution to every potential Bribery and Corruption that may arise.
- 4.3 In the event of doubt in relation to this Policy and Procedure, the Parties should consult the CIWC immediately.

### 5. **Responsibilities of the Parties**

The Parties are responsible for understanding and complying with this Policy and Procedure which includes the following:-

- a) Be familiar with the requirements and directives of the Policy and Procedure and communicate them to subordinates;
- b) Promptly record all transactions of Gifts, Entertainment, Hospitality, Travel, Donation and Sponsorship (collectively referred to as "**GEHTDS**") accurately and in reasonable detail;
- c) Always raise suspicion transactions to the CIWC for guidance on next course of action;
- d) Promptly report violations or suspected violations through appropriate channels; and

- e) Attend and complete all trainings and assessments in relation to the Policy and Procedure.

## 6. **Anti-Bribery and Corruption**

- 6.1 All forms of Bribery and Corruption are prohibited. The Parties should not participate in any corrupt or unethical activity including but not limited to extortion, abuse of power, trading under influence, fraud and/or money laundering.
- 6.2 Bribery and Corruption may take the form of exchange of money, goods, services, property, privilege, and/or preferential treatment. The Parties shall not, whether directly or indirectly, offer, give, receive or solicit any gratification, in an attempt to influence decisions or actions of a person in a position in the Group, with an intent (a) to obtain or retain business for the Group; or (b) to obtain or retain an advantage in the conduct of business for the Group.
- 6.3 This Policy and Procedure applies to the Group's business dealings with commercial and government entities, and includes interactions with their directors, employees, agents and other appointed representatives.
- 6.4 No employee will suffer demotion, penalty or other adverse consequence for refusing to pay or receive bribes or other illicit behaviour, even if such refusal may result in the Group losing business or experience a delay in business operations.
- 6.5 The Group awards contracts based on merits and tenders. Support letters in all forms shall not be recognised as part of the business decision making process.
- 6.6 The Group's internal audit function shall conduct risk assessments once every three (3) years, with intermittent assessments conducted when necessary, in relation to Bribery and Corruption.

## 7. **Conflict of Interest**

- 7.1 A situation of conflict of interest arise in situations where a personal interest that might be considered to interfere with a person's objectivity in performing or exercising duties/judgement on behalf of the Group.
- 7.2 The Parties should avoid or deal appropriately with situations in which conflict of interest arise and they must not use their position to gain or to cause disadvantage to the Group.
- 7.3 The Code of Conduct includes the following provisions to be observed by the Directors and employees of the Group:-
- The Company expects the Directors and employees of the Group to perform their duties conscientiously, honestly, and in accordance with the best interests of the Group;
  - The Directors and employees of the Group must take care to separate their personal roles from their Company positions when communicating on matters not involving the Company's business; and

- The Directors and employees of the Group must avoid any personal, financial or other interest which may be in conflict with their duties and responsibilities to the Company. In this respect, The Directors and employees of the Group are not permitted to be gainfully employed by any other organisation, company or business concern other than the Company without prior written consent of the CIWC.

7.4 The Code of Ethics includes the following provisions to be observed by all Directors:-

- All such conflicts should be avoided, and Directors must report any actual, potential or apparent conflicts to the Board.
- All such conflicts should be avoided, and Directors must report any actual, potential or apparent conflicts to the Board.

7.5 When Directors or employees of the Group encounter any conflict-of-interest situation, they are required to complete the Conflict of Interest Declaration Form as per Appendix II and submit it for review by his/her immediate superior and CIWC.

## 8. **Facilitation Payments**

8.1 The Group adopts a strict stance in disallowing Facilitation Payments.

8.2 In the event of an encounter with any requests for a Facilitation Payments, the Parties are expected to notify the CIWC. In the event that such payment has been made and the Parties are unsure of the nature, the CIWC must be immediately notified and consulted. Such occurrence has to be recorded in a register for audit purposes.

8.3 In the event that the safety of the Party is at stake, a Facilitation Payment is permitted if:-

- a) the Facilitation Payment is the immediate available recourse to protect the safety of the Parties; and
- b) the approval has been obtained by the CIWC.

Making Facilitation Payments in such a situation is the only exception which may be defence when faced with allegations of Bribery and Corruption.

## 9. **Gifts, Entertainment, Hospitality, Travel, Donation and Sponsorship**

9.1 The Group prohibits both the giving and receiving of GEHTDS which may influence business decisions. As GEHTDS varies between countries and regions and what may be normal and acceptable in one region may not be in another. The intention behind the GEHTDS should always be considered, so that it does not create an appearance of bad faith and impropriety and should not be misunderstood by others to be a bribe.

- 9.2 The Group should not solicit any GEHTDS from any Business Associate directly or indirectly.
- 9.3 The Group allows appropriate business-related GEHTDS if the following principles are observed:-
- (i) Recipients : Receipt and/or provision of any GEHTDS would not result the Parties to be in a Conflict of Interest position.
  - (ii) Ability to Influence : Receipt and/or provision of any GEHTDS should not occur which may detriment the direction of a business decision.
  - (iii) Purpose : Receipt and/or provision of any GEHTDS offered openly in normal course of business to promote good relations and mark special occasions must not be interpreted as to gain unmerited advantage or cause disadvantage to others.
  - (iv) Value : Receipt and/or provision of any GEHTDS must be modest and must not be so frequent as to place the recipient under an obligation.
  - (v) Transparent : Receipt and/or provision of any GEHTDS should be comfortably recorded into the Group's designated register which would be made available for audit purposes.
- 9.4 The Group shall maintain a GEHTDS register to record GEHTDS received or provided amounting to Ringgit Malaysia One Thousand (RM1,000.00) (or equivalent amount/value in other countries depending on cultural difference) or greater for audit purposes. Such register should state the gift's nature, its value, the name of the provider, name of the recipient, reason or occasion for the gift.
- 9.5 The Group should avoid from offering and/or accepting GEHTDS to/from government officials without the approval from the CIWC.
- 9.6 As part of the Group's commitment to corporate social responsibility and sustainable development, the Group provides such assistance as appropriate, after carefully examining the legitimacy of the request, conducting due diligence and ensuring that such a contribution would not improperly influence a business outcome.
- 9.7 The Group should not exercise any of its resources to make any direct or indirect political contributions to any political party without the approval from the CIWC.

- 9.8 Even if refusal of the gift and/ or hospitality is considered disrespectful or may offend the other party, the gift must be politely returned with a note of explanation of the Group's "no gift" policy if there is a potential conflict of interest situation.
- 9.9 The Group must ensure that all Donation and Sponsorship are given through legal and proper channels. Particular care must be taken in ensuring that the charities or sponsored organisations on the receiving end are valid bodies and are able to manage the funds properly. Steps must be taken to ensure that donations to foreign-based charities or beneficiaries are not disguised illegal payments to government officials nor act as conduit to fund illegal activities in violation of any applicable law. When in doubt, employees can escalate the matter to the CIWC to determine the authenticity of such requests.
- 9.10 Corporate Gifts and/or Festive Gifts may be given to any Business Associate provided it is made for the right reason, not obligatory, not expecting expectation, made openly, within reasonable value and legal.
- 9.11 If Parties are unclear about obligations under this policy or have doubt about the scope of applicable laws or the Group's policies concerning bribery and corruption, to check with the CIWC immediately.

## 10. **Business Associates**

- 10.1 As part of the Group's commitment to combat Bribery and Corruption, the Group expects all Business Associates to refrain from Bribery and Corruption. If suspicion of Bribery and Corruption arises in any collaboration with the Business Associate, the Group shall seek an alternative Business Associate.
- 10.2 Standard clauses shall be included in contracts with Business Associates which would enable the Group to terminate any contract in the event that Bribery or Corruption is made suspicious of.
- 10.3 Prior to entering into any formalised relationships and in the event of suspicious behaviour, allegations and/or investigations relating to Bribery and Corruption in relation to collaboration with the Group and Business Associate, the Group shall conduct due diligence on any relevant parties which include but not limited to background check, search through relevant databases, checking for relationships with public officials, document verification, interview and documenting the reasons for choosing one particular Business Associate over another.
- 10.4 All Business Associates are required to adhere to industry best practice and accepted standards of behaviour and are required to execute the Declaration Form as set out in Appendix I confirming that they undertake to abide by the provision of the Policy directly or indirectly applicable to them. A copy of the declaration form shall be documented and retained by the CIWC.

## **11. Communication and Training**

- 11.1 The Group is committed in arranging awareness programmes for all Parties to refresh awareness in relation to the Policy and Procedure and to continuously promulgate integrity and ethics.
- 11.2 The Group provides induction programs and/or training featuring anti-corruption elements to new recruits and employees promoted/transferred to exposed position.
- 11.3 The Group also at any time conduct awareness workshop or briefing for all Parties to refresh awareness of anti-bribery and anti-corruption measures, and to continuously promulgate integrity and ethics within the Group. This Policy and Procedure is published in the Group's website and incorporated in the Employee's Handbook.

## **12. Record Keeping for Managing Documentation**

- 12.1 The Group would keep and maintain data, record and documents in accordance with statutory and regulatory requirements. The Group would have appropriate internal controls in place to safe-keep, archival, retrieval, retain and store proper records.
- 12.2 The Group must ensure that all GEHTDS are recorded in the register in a timely manner.

## **13. Declarations**

- 13.1 All employees and Directors of the Group shall certify in writing that they have read, understood and will abide by this Policy and Procedure. A copy of the declaration shall be documented and retained by the Human Resources Department for the duration of employment.
- 13.2 In addition, under circumstances of suspicious behaviour, allegations and/or investigations relating to bribery or corruption, Group Human Resources reserves all rights to request the relevant employee to declare information regarding assets owned as deemed necessary.

## **14. Reporting of a Concern and Whistleblowing**

- 14.1 The Group has established a Whistle Blowing Policy and Procedure which details the Group's policies and procedures in relation to disclosure of any known malpractices or wrongdoings occurred in the Group.
- 14.2 The Parties who encounter actual or suspected violations of this Policy and Procedure are required to report their concerns. The parties are responsible to ensure that suspected Bribery and Corruption incidents are reported promptly via the procedures set out in the Whistle Blowing Policy and Procedure which is made available in the Group's website.

14.3 Reports made in good faith, either anonymously or otherwise, would be addressed in a timely manner and without incurring fear of reprisal regardless of the outcome of any investigation.

## 15. **Non-compliance**

15.1 The Group would take immediate action against any party who did not adhere to the Policy and Procedure. This may include but not limited to the termination of employment, business arrangements, initiation of legal action and/or notification to the authorities.

15.2 Any Parties committed Bribery and Corruption and found guilty by the authorities, shall be liable to an imprisonment for a term not exceeding twenty (20) years and a fine prescribed under Section 24 of the MACC Act.

15.3 Notwithstanding Clause 15.2 above, the Company, subsidiary or Group may also be liable to a penalty under Section 17A(2) of the MACC Act if it fails to prevent any Bribery or Corruption by an Associated Person (including, but not limited to an employee) for the benefit of the Company or subsidiary or Group.

15.4 The Group shall notify the relevant regulatory authority if any identified bribery or corruption incidents have been proven beyond reasonable doubt. Where notification to the relevant regulatory authorities have been done, the Group shall provide full co-operation to the said regulatory authorities, including further action that such regulatory authority may decide to take against convicted employees.

## 16. **Recognition of local and international legislations**

16.1 The Group is committed in conducting its business ethically and in compliance with all applicable laws and regulations.

16.2 In the event that any clause in this Policy and Procedure is inconsistent with or in breach of any applicable laws and regulations, the applicable laws and regulations shall prevail.

## 17. **Periodic Review**

17.1 The Group is committed to continually improve the Policy and Procedure and may therefore endeavour to develop further integrity measures.

17.2 The Board shall conduct a review on the effectiveness of the implementation of this Policy and Procedure at appropriate intervals, considering its suitability, adequacy and effectiveness.

17.3 This Policy and Procedure should be reviewed once every two years or may be amended by the Board as it deems appropriate .

17.4 This Policy and Procedure should be disclosed on the Company's website.

17.5 This Policy and Procedure was reviewed and approved by the Board of Directors on 22 April 2024.

*(TO BE EXECUTED ONTO THE LETTERHEAD OF THE BUSINESS ASSOCIATE)*

## **ANTI-BRIBERY AND ANTI-CORRUPTION DECLARATION**

Our company, [Company Name of the Business Associate], [Registration Number] (which includes our Directors, Officers and employees) hereby:-

1. PLEDGE, COMMIT AND UNDERTAKE THAT:

A. We have read and understood, and will comply with:

- (i) All applicable laws and regulations relating to anti-bribery, anti-corruption and fraud ("**Applicable Laws**"); and
- (ii) The following anti-corruption principles promoted by the Malaysian Anti-Corruption Commission ("**MACC**"):
  - (a) Committing to promoting values of integrity, transparency and good governance;
  - (b) Strengthening internal systems that support corruption prevention;
  - (c) Comply with rules and regulations relating to fighting corruption;
  - (d) Fighting any form of corrupt practice; and
  - (e) Supporting corruption prevention initiatives by the Malaysian Government, MACC and other authorities within the country jurisdiction we operate.

to the best of our knowledge (collectively referred to as the "**Provisions**")

B. We shall not, through any of our representatives, agents or any persons associated to us, commit any corruption offence or breach any of the Applicable Laws and/or the Provisions. We shall not encourage any corruption elements within our business practices, activities, operations and transactions.

C. We have not been convicted nor are we the subject of any investigation, inquiry or enforcement proceedings by the relevant authorities of any actual or suspected breach of the Applicable Laws and/or the Provisions and will report any actual or suspected breach of the Applicable Laws and/or the Provisions as soon as reasonable practicable and to the extent permitted by Law, to Ni Hsin Group Berhad and its subsidiaries (collectively referred to as "**Ni Hsin Group**") resulting from any business collaboration.

- D. We have not been and are not listed by any government agency as being debarred, suspended proposed for suspension or debarment, or otherwise ineligible for participation in government procurement programmes or other government contract.
- E. We shall take all measures and implement appropriate measures to ensure compliance with the Applicable Laws and the Provisions.

2. AGREE THAT:

- A. In the event that we are in breach of any of the above sections or the Applicable Laws and/or the Provisions, Ni Hsin Group may immediately revoke the contract awarded or terminate the contract in relation to our business transactions without any liability whatsoever on the part of Ni Hsin Group. This is without prejudice to any other rights or remedies that Ni Hsin Group may have or any other appropriate action which Ni Hsin Group may take under the terms of the applicable tender or contract or applicable laws and regulations.
- B. In the event that we are in breach of any of the above sections, the Applicable Laws or the Provisions, we shall indemnify Ni Hsin Group against all forms of damages and/or liabilities, whether criminal or civil, if any legal action was brought against Ni Hsin Group in relation to the breach.
- C. Should any person attempt to solicit any bribe or advantage (whether financial or otherwise) from us or any other person connected to us either as an inducement or incentive for us to be selected for a proposed business transaction with Ni Hsin Group or as a reward, gift, or bonus or where we have reasonable grounds to suspect any breach of the obligations in this Anti-Bribery and Anti-Corruption Declaration or any Applicable Laws, we will report such act to Ni Hsin Group as soon as reasonably practicable.
- D. We are fully informed on the Whistleblowing Policy and the channels which are available to us as an avenue to report any misconducts or incidents in relation to the commercial transaction(s) between Ni Hsin Group and us.

Your sincerely

Name of Company Director  
IC/Passport  
Position/Designation  
Company Stamp

**CONFLICT OF INTEREST FORM**

Name :

Designation :

Department :

Company :

I hereby declare an actual/ potential Conflict of Interest as follows:

Dealing with Suppliers,  
Customers, Agents or  
Competitors

Board Membership

Outside Employment and  
Activities Outside the Group

Family Members and Close  
Personal Relationship

Investment Activities

Others: Please state

\_\_\_\_\_

Please state details:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Reviewer Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
HR Signature

\_\_\_\_\_  
Date